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South Africa, Republic of

Citrus

Annual

2000

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Report Highlights:

South Africa's citrus production is expected to reach about 1.3 million tons in 2000, up from 1.2 million tons of last year because of favourable weather conditions and increased area harvested. Exports are expected to increase to about 700,000 tons as a result of the elimination of export controls, and continued strong demand in the EU.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
Annual Report
Pretoria [SF1], SF

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Executive Summary

South African fresh citrus production for the marketing year 2000 is estimated at about 1.35 million metric tons, an increase of about four percent from the previous season. South Africa received sufficient rain during the 1999 season which contributed to the overall increase in production. Further increases in output are expected in the future because of the expansion in the total number of bearing trees. Total area of the three citrus crops handled for this report (oranges, lemons and grapefruit) amounts to 62,638 ha, with orange production occupying more than 80% of total citrus area.

Domestic consumption of fresh citrus is expected to increase to 332,000 MT in 2000. Consumption of fresh oranges is estimated at 298,000 MT this season, an increase of about 11%. Total citrus exports for 2000 are estimated at around 700,000 MT, an increase of 6% from a year earlier.

Exchange Rate on May/17/2000

\$1 = R7.05c

Section I. Situation Outlook

South Africa's year 2000 prospects for agriculture seem to be promising after farmers had suffered financial losses last year as a result of floods and excessive rain in various parts of the country, especially in the Northern province.

At this stage, crop estimates for citrus production promise around 1.3 million tons, as the citrus crop had benefitted tremendously from enough soil moisture and cool temperatures.

Macroeconomic trends are generally positive and promise better producer prices for the agricultural sector.

Gross income from horticultural crops increased by R238 million(2.1%) in 1999, with further increases expected this year. Net farm income(after the deduction of all production expenditures excluding interests) amounted to R12,197 million in 1999. Although average producer prices in 1999 for all commodities were 1.7% lower, expectations are that they will increase by about 3% or more this year as a result of good soil moisture, enough sunlight, and increased area planted especially for the citrus industry. Last year, prices for fruit and vegetables decreased by 11.5%.

As a result of the deregulation of the agricultural marketing sector through the Agricultural Marketing Act of 1997, South Africa adopted a free market system. As a result, access to international markets is improving, leading to exports.

This office has changed the marketing year to a calendar year based on the deregulation of the citrus marketing system, and to facilitate data base maintenance.

Section II. Statistical Tables

Production

Oranges

PSD Table						
Country:	South Africa, Republic of					
Commodity:	Oranges					
		1997		1998		1999
	Old	New	Old	New	Old	New
Market Year Begin		01/1998		01/1999		01/2000
Area Planted	48844	48844	53728	53728		54728
Area Harvested	42261	42261	43539	43539		44659
Bearing Trees	15067	15067	16122	16122		16722
Non-Bearing Trees	1685	1685	1854	1854		1954
TOTAL No. Of Trees	16752	16752	17976	17976	0	18676
Production	961	961	974	989		1047
Imports	1	1	1	1		1
TOTAL SUPPLY	962	962	975	990	0	1048
Exports	443	443	450	500		520
Fresh Dom. Consumption	291	291	295	265		298
Processing	228	228	230	225		230
TOTAL DISTRIBUTION	962	962	975	990	0	1048

South Africa's orange crop to be marketed during 2000 is expected to increase to about 1.1 million tons, a major increase from about 900,000 tons of last year. Rainfall and temperature were favourable for the crop's growth and development. The increase in the area planted to oranges also contributed to the general increase in production.

Fresh domestic consumption of fresh oranges is expected to have a significant increase of about 11% from 265,000 MT of last year. About 230,000 MT of oranges will be sent to processors this year, an increase of about 2% from the previous season.

Trade

Export Trade Matrix			
Country:		Units:	M/TONS
Commodity:			
Time period:	Jan-Dec		
Exports for	1997		1998
U.S.	181	U.S.	
Others		Others	
Belgium	114973		
United Kingdom	84932		
Saudi Arabia	60120		
Netherlands	34556		
Canada	21130		
Netherlands	34556		
Canada	21130		
UA Emirates	20919		
France	19615		
Hongkong	19142		
Total for Others	431073		0
Others not listed	12057		
Grand Total	443311		0

Exports of citrus show an increasing trend following the deregulation of the fruit market industry. This year's exports of oranges are expected to reach around 500,000 tons, an increase from an estimated 400,000 tons 1999.

Trade data received from the Department of Customs and Excise for 1999 are still not complete because of the production period in the Southern Hemisphere. The table below indicates export data(in metric tons) for oranges from January to October 1999.

South Africa's export of Oranges Jan-Oct 1999, in Metric Tons

US	1,421
Belgium	108,367
Netherlands	75,498
Gabon	64,439
Hongkong	49,013
Canada	32,134
Spain	29,171
U A Emirates	26,167
Kenya	13,272
Russian Fed	12,805
Others not listed	70,577
Total	482,864

Concentrated Orange Juice

PSD Table						
Country:				Mt. 65*	Degrees Brix	
Commodity:	Orange Juice					
		1997		1998		1999
	Old	New	Old	New	Old	New
Market Year Begin						

Deliv. To Processors	228	228	230	225	0	230
Beginning Stocks	1300	4185	1280	3338	65	500
Production	12413	17556	15785	15750		18550
Imports	200	0	0	0		100
TOTAL SUPPLY	13913	21741	17065	19088	65	19150
Exports	2500	6403	4500	6338		6380
Domestic Consumption	10133	12000	12500	12250		12270
Ending Stocks	1280	3338	65	500	65	500
TOTAL DISTRIBUTION	13913	21741	17065	19088	65	19150

Concentrated orange juice production is expected to show an increase of about 15% in 2000 due to higher intake of fruit for processing . Imports are expected to supplement local supplies for domestic sale and export.

Production

Grapefruit

PSD Table						
Country:	S.A.					
Commodity:	Fresh Grapefruit					
		1997		1998		1999
	Old	New	Old	New	Old	New
Market Year Begin		01/1998		01/1999		01/2000
Area Planted	4350	4360	4360	4360		4360
Area Harvested	3925	3927	3927	3927		3930
Bearing Trees	15317	15360	15360	15360		15400
Non-Bearing Trees	90	90	100	100		105
TOTAL No. Of Trees	15407	15450	15460	15460	0	15505
Production	184	186	189	194		200
Imports	1	1	1	1		1
TOTAL SUPPLY	185	187	190	195	0	201
Exports	140	140	145	145		150
Fresh Dom. Consumption	10	9	10	11		11
Processing	35	38	35	39		40
TOTAL DISTRIBUTION	185	187	190	195	0	201

South Africa's total production of fresh grapefruit is expected to increase to about 200,000 MT this season. The rise is due to increased area planted as well as sufficient soil water.

Domestic consumption of fresh grapefruit for this season is estimated at 11,000 MT.

Trade

Grapefruit

Export Trade Matrix			
Country:		Units:	Metric tons
Commodity:			
Time period:	Jan-Dec		
Exports for	1997		1998
U.S.	10	U.S.	
Others		Others	
Netherlands	44358		
Belgium	42979		
United Kingdom	22342		
Japan	13378		
Russian Fed.	3531		
Italy	3437		
France	2872		
Germany	1729		
Spain	1278		
Hong Kong	947		
Total for Others	136851		0
Others not listed	3610		
Grand Total	140471		0

Trade data received from the Department of Customs and Excise for 1999 are still not complete because of the production period in the Southern Hemisphere. The table below indicates export data(in metric tons) for grapefruit from January to October 1999.

South Africa's export of Grapefruit Jan-Oct 1999, in Metric Tons

US	37
Portugal	30,497
Kenya	30,057
Belgium	26,940
Gabon	12,819
Japan	3,403
France	2,661
Canada	2,155
Hongkong	1,943
Spain	1,147
Denmark	1,047
Others not listed	66,118
Grand Total	114,866

Production

Lemons

PSD Table						
Country:	South Africa, Republic of					
Commodity:	Fresh Lemons					
		1997		1998		1999
	Old	New	Old	New	Old	New
Market Year Begin		01/1998		01/1999		01/2000
Area Planted	3519	3519	3550	3550		3550
Area Harvested	2958	2958	2958	2958		2970
Bearing Trees	1164	1164	1164	1164		1170
Non-Bearing Trees	169	169	200	200		216
TOTAL No. Of Trees	1333	1333	1364	1364	0	1386
Production	88	92	95	95		110
Imports	0	0	0	0		0
TOTAL SUPPLY	88	92	95	95	0	110
Exports	46	42	45	45		50
Fresh Dom. Consumption	20	20	17	20		23
Processing	22	30	33	30		37
TOTAL DISTRIBUTION	88	92	95	95	0	110

Lemon area has stabilized, but the crop to be harvested in 2000 is expected to increase by about 14% than last year. This is mainly due to the relatively conducive climatic conditions in the principal production areas.

Total domestic consumption of fresh lemons for this season is estimated at 21,000 MT. South Africa's fresh lemon crop is mainly exported or processed rather than distributed for fresh consumption.

Trade

Lemons

Export Trade Matrix			
Country:		Units:	M/TONS
Commodity:			
Time period:	Jan-Dec		
Exports for	1997		1998
U.S.	27	U.S.	
Others		Others	
Saudi Arabia	13825		
Hong Kong	5495		
Emirates	5259		
United Kingdom	4192		
Netherlands	2709		
Singapore	1876		
Japan	1735		
Belgium	1507		
Switzerland	759		
Kuwait	655		
Total for Others	38012		0
Others not listed	3952		
Grand Total	41991		0

Trade data received from the Department of Customs and Excise for 1999 are still not complete because of the production period in the Southern Hemisphere. The table below indicates export data(in metric tons) for fresh lemons from January to October 1999.

South Africa's export of Lemons Jan-Oct 1999, in Metric Tons

US	565
Japan	18,261
Saudi Arabia	10,808
U A Emirates	8,089
Hongkong	5,324
Gabon	4,521
United Kingdom	2,709
Belgium	2,372
Netherlands	2,135
Canada	1,451
Singapore	1,001

Others not listed	5,272
Total	62,507

Section III.

Marketing

South Africa's citrus industry operates under a free market system following the Agricultural Marketing Act of 1997. Domestic fresh citrus distribution is mainly through municipal markets, retail and chain stores, and specialized fruit and vegetable dealers. Hawkers and other informal trade outlets also distribute considerable amount of citrus in South Africa's rural areas and black townships, which are now growing in importance as marketing outlets for agricultural products.

Trade

For exports to the U.S, the National Department of Agriculture is implementing a minimum consignment size of 3,000 boxes. For various reasons, the consignment size of fruit for export to the US has been a problem in the application of South Africa's U.S. export programmes. South Africa has now received a new statistical sampling procedure from the APHIS for use in all US export programmes.

Food Safety Issues

Citrus juice imports like other food imports need to conform with the basic conditions of the Foodstuffs, Cosmetics and Disinfectants Act (Act No. 54 of 1972) and the Trade Metrology Act (Act No. 77 of 1972). The former act also outlines labeling requirements for juice and other products intended for the South African market.